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RV BUSINESS

MAY 1985 \$2.00

**WHEN YOUR
CUSTOMERS TALK,
ARE YOU LISTENING?**

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Learning How To Listen

**Creating Product Through
Dealer/Manufacturer Councils**

**Consumers Voice Their
Opinions On Quality**



SOMETHING EVERYONE



Please send me more information on Jayco RVs and dealer programs. I currently deal in these product lines:

☐ Travel Trailers ☐ Fold-downs
☐ Fifth Wheels ☐ Mini Motorhomes
☐ Truck Campers

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 City _____
 State _____ Zip _____
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Jayco, Inc.
 P.O. Box 460
 Middlebury, IN 46540

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RV BUSINESS

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MAY 1985/VOL. 36, NO. 2

FEATURES

THE SOUND OF SALES <i>Colleen Fenrich</i>	38	Learn to listen your way to sales.
DEALER/MANUFACTURER COUNCILS <i>Sheryl Davis</i>	46	Cooperation begets better sales, better products.
QUALITY <i>Bob Longsdorf</i>	55	Last, but far from least, are consumers and the quality process.
BARTERING <i>Don Magary</i>	62	Crsh sales aren't always the best sales, says the bartering king.
ORPHAN PARTS	67	Who's who and where in the business of hard-to-find replacement parts.
1986 DEALER OF THE YEAR	72	You and your customers can both win!
AD OF THE MONTH <i>Bert Sussman</i>	95	How to pick a lock.

DEPARTMENTS

EDITORIAL <i>Michael Schneider</i>	5	SHIPMENTS	26
LETTERS	8	RV PEOPLE	28
MAGARY <i>Don Magary</i>	12	OERTLE <i>V. Lee Oertle</i>	30
MAXWELL <i>Gaylord Maxwell</i>	14	INDUSTRY NEWS <i>Olga Markowitz</i>	77
WILMATH <i>Cliff Wilmath</i>	16	MANAGEMENT MARQUEE	99
FISCALINE <i>John Thompson</i>	23	PROFITMAKERS	108
PERSPECTIVE <i>Gaylord Maxwell</i>	24	CALENDAR	116
ASSOCIATIONS	25	BACK PAGE <i>Sheryl Davis</i>	118

ON THE COVER: You don't have to be all ears in order to enjoy good sales and improved profits—but it helps. Dealers are listening to consumers (see page 55), manufacturers are listening to dealers (see page 46), and everybody is listening to the Sound of Sales (page 38). Photo: Steve Broadbents.

Perspective

An analysis of RVB's monthly survey
of its Dealer Advisory Board Members

GAYLORD MAXWELL

	NEW						USED					
	FOR MONTH			YEAR-TO-DATE			FOR MONTH			YEAR-TO-DATE		
	FEB '85	FEB '84	% CHANGE	1985	1984	% CHANGE	FEB '85	FEB '84	% CHANGE	1985	1984	% CHANGE
MOTORHOMES	107	105	+ 1%	185	192	- 3	103	105	- 1%	176	183	- 3
TRAVEL TRAILERS	77	90	-14%	122	162	-24	60	84	-28%	107	132	-41
TRUCK CAMPERS	9	12	-25%	20	19	+ 5	10	23	-56%	15	31	-51
CAMPING TRAILERS	106	167	-36%	169	220	-23	25	29	-13	28	39	-28
FIFTH-WHEELS	33	34	- 2%	51	61	-16	6	9	-33%	17	13	+ 30

	FOR MONTH			YEAR-TO-DATE		
	FEB '85	FEB '84	% CHANGE	1985	1984	% CHANGE
SALES VOLUME	\$8,147,635	\$8,378,274	-2%	\$14,226,352	\$14,934,051	- 4
TOTAL UNIT SALES	536	658	-18%	890	1082	-17
NEW UNIT SALES	332	408	-18%	547	684	-20
USED UNIT SALES	204	250	-18%	343	398	-13

RV sales in February were down from the previous year. Data provided by RVB's Dealer Advisory Board (DAB) indicates that the average dealer was down both in units and in sales volume. Both new and used took very noticeable drops. Profits, too, were down according to most dealers. Only new motorhomes and used truck campers managed to stay on the plus side—and they barely made it.

Sales volume didn't drop as drastically as unit sales—2 percent in February and 4 percent for the year-to-date. It seems that more expensive units are being sold.

Competition is extremely keen in some areas, particularly where dealers are closing up or where auto dealers are dropping RVs. Two years ago, most dealers were making excellent grosses; now they consider themselves lucky if they can make what they consider good profits. Probably that is the way the year will go.

MOTORHOMES

The average motorhome dealer is barely holding his own in unit sales. Actually, the DAB shows a very slight decrease for the year-to-date. Most of the motorhome specialists—especially the larger ones—are still getting their share of the market, but at the expense of profits. Two of the larger DAB members report that dealers going out of the motorhome business are hurting their sales. Dealers who do not specialize in mo-

torized, but who stock a few units, are finding it extremely difficult to compete profitably. Used units are selling well at about the same pace as new units.

Overall, motorhomes received one of the worst profit ratings they have had in a couple of years. No one rated them excellent. Most called them fair and two said they were poor.

TRAVEL TRAILERS

Sales of this type have been sluggish for more than a year. This year appears to be different only in that they are even more sluggish. The drop of 24 percent in sales of new units year-to-date indicates that it will take a miracle for significant recovery in the months to come.

Even used sales have suffered. Although it is quite early in the season, it will take some doing to reduce the current 41 percent sales lag.

Travel trailer profits were rated from fair to good.

TRUCK CAMPERS

Our DAB camper specialist ran a bit behind in February, which brought the averages down. However, the unit differences aren't great either for the month or for the year-to-date.

The used camper market appears to be very weak at this time. It should get better with the coming of spring as people look for inexpensive ways to vacation. Those with pickups will find that there are plenty of used units on the

market.

Camper profits were rated excellent for new units.

CAMPER TRAILERS

Although the 36 percent drop suggests an extremely bad year in the making, such isn't really the case. Last year, one of the DAB dealers had an unusual sale during which he sold a lot of folding camping trailers at very low prices. This year, he didn't. Thus, the figures do not reflect a normal situation. However, a couple of the members of the board who sell a lot camping trailers aren't doing as well as they normally do at the early shows.

Profits were rated fair to good.

FIFTH-WHEELS

Fifth-wheels have been on the upswing for DAB members for two or three years. The apparent turnaround is surprising. Sales haven't fallen apart, but minus figures in this category haven't been seen for a long time. Perhaps it is a temporary condition.

Profits were rated all the way from fair to excellent. Δ

Perspective is a compilation of data provided by RVB's Dealer Advisory Board (DAB), a group comprised of 23 dealers representing a cross-section of the U.S. Dealer body. This report is an attempt to reflect the current retail sales picture; it does not purport to indicate RV production or factory sales to dealers.

RVIA, FEBRUARY

The marketing committee of the Recreation Vehicle Industry Association has announced that the total number of recreational vehicles shipped from manufacturers' plants during February 1985 was 31,300 units, down 3.7% from February 1984.

The shipment figures released by the association are contained in a report compiled for the membership by RVIA's marketing committee under the chairmanship of Allen Yoder Jr. of Jayco Incorporated, Middlebury, Indiana.

RV shipments were as follows in February 1985		February 1984	Percent Change	Cumu- lative 1985	Cumu- lative 1984	Percent Change
TRAVEL TRAILERS	4,500	6,100	- 26.2%	9,500	13,200	- 28.0%
FIFTH- WHEELS	1,400	1,500	- 6.7%	3,000	3,000	0
TRUCK CAMPERS	500	700	- 28.6%	900	1,000	- 10.0%
MULTI-USE VEHICLES	14,800	12,400	+ 19.4%	28,200	23,400	+ 20.5%
TYPE A: MOTOR- HOMES	3,500	3,800	- 7.9%	6,700	7,200	- 6.9%
TYPE B: VAN CAMPERS	300	900	- 66.7%	800	1,300	- 38.5%
TYPE C: MINI MOTOR- HOMES	3,000	3,700	- 18.9%	5,200	6,500	- 20.0%
FOLDING CAMPING TRAILERS	3,300	3,400	- 2.9%	5,900	5,900	0
TOTALS	31,300	32,500	- 3.7%	60,200	61,500	- 2.1%

INDUSTRY NEWS

O. MARKOWITZ, NEWS COORDINATOR

MAY 1985

Good Sam Introduces New Program: Take A Friend Camping

Agoura, Calif.—The Good Sam Club® has presented a new program to introduce friends and relatives to the RV lifestyle. Titled "Take A Friend Camping," this new program has been designed to lend



A Good Samer gives some RVing tips to a friend he has taken camping.

a helping hand to newcomers to ensure that their first RV experiences are successful ones.

A Good Samer can arrange for a low-cost rental motorhome by placing a single phone call. A nationwide rental program has been organized through Altman's America to provide friends of the Good Sam member a 19- to 24-foot mini motorhome at a discount rate of \$99 for four days and three nights. There are no mileage charges for the first 300 miles; after that, mileage costs are 18 cents per mile. The motorhome can be picked up after 1 P.M. on the first day and returned before 11 A.M. on the fourth day. Additional days can be reserved, but the rate then falls under the standard pricing policy.

Motorhomes can be reserved and picked up at any one of the Altman's America nationwide rental agencies, but the Good Sam member must show his membership card at the time of pickup.

Rentals are subject to availability and some holidays are excluded. Participants in the program are advised to plan ahead since availability of rental units is not guaranteed during busy summer months.

In addition to sharing an RV experience with friends who have been curious about RVing but not quite ready to try it on their own, the Good Sam members participating in this program will receive two specially designed patches saying, "I Took A Friend Camping."

If those friends decide to purchase a motorhome, their rental charges can be applied toward the cost as long as the rig is bought at Altman's within 21 days of the rental date. —Gail Harrington

New Study Reveals RVs As Economical Travel Means

Chantilly, Va.—The results of a study, conducted by international CPA firm Pannell Kerr Forster during the summer of 1984, revealed that traveling by recreational vehicle is overwhelmingly the most economical way to travel. On the average, vacationing in an RV costs 50 percent less than comparable car/hotel vacations, 67

percent less than bus/hotel and train/hotel trips, and 75 percent less than air/hotel vacations.

Pannell Kerr Forster, known for its particular expertise in the tourism and hospitality industries, conducted the study using a hypothetical travel party of two adults and two children traveling between 38 selected city pairs in the United States. As an example, the CPA firm found that a family of four taking an average eight-night vacation would spend \$516 using the most costly type of RV, staying at campgrounds and cooking a majority of their meals in their vehicle or outdoor at the campsite. The same family would spend about \$1055 traveling in the family car, staying in one motel/hotel room and eating most of their meals in restaurants. They would spend \$1527 by bus/hotel; \$1534 by train/hotel; and \$1946 for air/hotel accommodations for a comparable eight-night vacation. Findings for short weekend vacations and three-week cross-country trips were similar.

The study was sponsored by the Go Camping America Committee, a national organization representing Recreation Vehicle Industry Association, Recreation Vehicle Dealers Association and National Campground Owners Association. Copies of the report are available for \$15 from the Go Camping America Committee, P.O. Box 2999, Reston, Virginia 22090.

Vacation Type Transport Mode/Accommodation	Trip Duration					
	Two Night	Four Night	Eight Night	Twelve Night	Sixteen Night	Twenty- One Night
A. Car/Folding Camping Trailer	\$ 130	\$ 236	\$ 436	\$ 613	\$ 833	\$1,082
B. Light-Duty Truck/Truck Camper	147	266	483	677	925	1,197
C. Motorhome	158	283	512	713	977	1,266
D. Car or Truck/Travel Trailer	165	286	516	711	977	1,274
E. Car/Motels or Hotel	287	555	1,055	1,412	1,927	2,584
F. Intercity Bus/Motels or Hotels	474	883	1,527	2,002	2,694	3,690
G. Train/Motels or Hotels	417	918	1,534	2,012	2,732	3,738
H. Airline/Motels or Hotels	808	1,384	1,946	2,703	3,393	4,680

Source: Pannell Kerr Forster

Cost comparison of recreational vehicle vacations vs. other types of vacations.